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# Regional Council Activity Report

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September 28, 2005



## Executive Director's Report

Recently, newspaper articles have reported that bids being awarded for the Regional Freeway System are higher than the engineer's estimate. In one case, the engineer's estimate was \$59.7 million and the bid came in at \$73.7 million. Although this is a significant difference, the actual amount in the program was \$81 million. It is reassuring that we are under the programmed amount, but the amount over the engineer's estimate is concerning.

All of the construction industries are being hit by cost increases in fuel, steel, and concrete. In some cases, such as cement, we are also experiencing delivery problems. Our region is experiencing tremendous growth, but this growth is also experiencing a shortage in labor. All of these factors are driving up costs. The catastrophic hurricane damage in the gulf area is also exacerbating this issue.

These cost increases are in the existing Proposition 300 Regional Freeway System. Although costs are going up, the Regional Area Road Fund (RARF), is experiencing some of its highest monthly percentage growth increases. For the first two months of the fiscal year, July and August, the RARF was 17.7 percent over the same two months last year and 7.9 percent over the projection for this year. Our federal funds are also expected to increase as a result of the new federal transportation law (SAFETEA-LU), but there is some discussion on the federal level to have the funds for FY 2006 remain at FY 2005 levels due to the recent hurricanes. We are closely watching this issue.

The life cycle program is a 20-year budgeting document that ensures that costs and revenues are in balance. If revenues are not sufficient to cover costs, projects keep their priority and are delayed in their priority order. This principle also applies if we have additional funds and projects are accelerated.

The good news out of all of this is that we have processes in place to keep the system in financial balance. Costs and revenues are being closely monitored. It is anticipated that this information will be shared by ADOT at future meetings. The safeguards are in place and working.

**For more information, please contact Dennis Smith, MAG Executive Director, (602) 254-6300.**

## **Regional Council Meeting Report for September 28, 2005**



### **Action Items**

#### **Schedule Change for Red Mountain Approved**

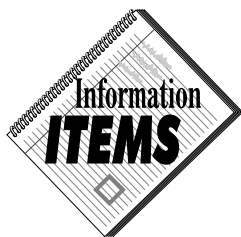
The MAG Regional Council voted to approve a schedule change for the Red Mountain Freeway from Power Road to University Drive to July 2008. The Arizona Department of Transportation (ADOT) and the City of Mesa determined that the construction of the segment will take about 30 months compared to the original schedule of 24 months. The longer construction schedule was requested due to the need to stop construction activities at 10:00 p.m. so that neighborhoods are not impacted during late night hours. The revised construction schedule will result in about eight hours of quiet time for neighborhoods.

**For more information, please contact Eric Anderson, MAG Transportation Director, (602) 254-6300.**

#### **Consultant Selection for Services Related to New Building**

The Regional Council approved a recommendation from the Building Lease Working Group for architectural and engineering services related to a Regional Governmental Service Center. The working group recommended the selection of Langdon Wilson for Phase I of the project, which deals with programming and planning of the center. The Regional Governmental Service Center will be an approximately 200,000 square foot building tentatively expected to house the offices of the Maricopa Association of Governments, Valley Metro, Valley Metro Rail, the Arizona Municipal Water Users Association, and potentially other partners. Langdon Wilson was one of 16 firms who submitted Statements of Qualifications for the project. The amount of the contracted services for Phase I is not to exceed \$100,000. As indicated in its Request for Qualifications, MAG will have the option to continue with the consultant in Phase II.

**For more information, please contact Denise McClafferty, MAG Management Analyst, (602) 254-6300.**



### **Information Items**

#### **Update on Critical Air Issues**

The Regional Council received some good news in its monthly update regarding enforcement of the Maricopa County Dust Control Rules and the deficiencies in the Title V Permit Program for industrial sources. On the latter

issue, the Environmental Protection Agency (EPA) reported that significant progress has been made by Maricopa County in taking corrective action to fix deficiencies pointed out by the EPA when it issued a Notice of Deficiency for the Maricopa County Title V Air Permit Program. The report means that the threat of sanctions, including loss of federal highway funds, is no longer looming.

In regard to the enforcement of the dust control rules, EPA requested in 2004 that Maricopa County hire 25-30 dust inspectors to help enforce Fugitive Dust Control Rules. The inspectors are needed in an effort to prevent the violation of dust standards known as PM-10 (particulate matter 10 microns in diameter or less). The County reported that it now has 20 inspectors hired, as well as 10 other support and supervisory positions, leaving only 10 inspector positions that still need to be filled.

**For more information, please contact Lindy Bauer, MAG Environmental Director, (602) 254-6300.**

### **Push Needed for 2005 Census Survey**

The 2005 Census Survey is underway, and residents are being encouraged to fill out and return the surveys as quickly as possible. By returning their surveys right away, not only do residents help their community obtain accurate population numbers, they also save their city or town money in terms of follow-up costs. A total of 114,000 surveys were mailed Sept. 1, 2005. The original goal for mail returns was 50 percent, but that target has increased due to the fact that many of the returned surveys are missing important information and will still require follow up calls. A second round of questionnaire packets were mailed to nonrespondents on Sept. 22, 2005. Those households that don't return the survey will receive a telephone call or personal visit from the Census Bureau. The mid-decade census is being conducted to capture rapidly growing population figures. The count is important to communities because cities and towns receive state-shared revenues based on population.

**For more information, please contact Heidi Pahl, MAG Census Survey Coordinator, (602) 254-6300.**

### **Need for Workforce Housing Discussed**

The Regional Workforce Housing Task Force presented a proposed action plan to increase the supply of workforce housing in the region. The goal of the task force is that within 15 years, sufficient workforce housing will be available and affordable throughout the Valley to people currently making \$20,000-\$42,000 per year, and to provide them the opportunity to live and work in the

same community. According to Task Force Chair Gregg Holmes, Arizona is ranked 40<sup>th</sup> in the nation for home ownership, and the percentage of the population able to purchase a median priced home has declined 30 percent in the past 30 years. Holmes told the Regional Council that not having affordable workforce housing leads to more than \$350 million each year in lost buying power. Recommended solutions from the Task Force include using innovative design and increasing density to improve affordability while maintaining high quality; creating an environment that encourages the production of quality workforce housing; improving the capacity of available land; establishing a Regional Housing Trust Fund; finding new and more efficient uses of existing revenue sources such as tax incentives; and ongoing education to evolve opinion leader attitudes.

**For more information, please contact Amy St. Peter, MAG Human Services Manager, (602) 254-6300.**

### **Paradise Valley Adopts Sister City for Hurricane Relief**

The Regional Council received a presentation from Paradise Valley Mayor Ron Clarke regarding the town's recent efforts to assist a city ravaged by Hurricane Katrina. The town adopted as a "Sister City" the city of Bay St. Louis, Mississippi. The city is 54 miles northeast of New Orleans. On September 19, 2005, officers representing the Town of Paradise Valley, along with Mayor Ron Clarke, delivered three police vehicles and computer equipment to the Bay St. Louis police department, replacing items that had been flooded and damaged. Mayor Clarke said the town council selected the city because of the extensive damage it suffered and because its population of just over 8,000 makes it small enough for Paradise Valley to be able to offer valuable aid. The City Hall was severely damaged, and there was not a single building left standing that did not suffer major damage. Paradise Valley continues to seek donations of heavy equipment, municipal vehicles, building inspection services, and other items to assist Bay St. Louis.

**For more information, please contact Natalie Montenegro, Town of Paradise Valley, (480) 348-3690.**



## **Upcoming Events**

### **Next Regional Council Meeting**

The next meeting of the MAG Regional Council is scheduled for Wednesday, October 26, 2005 at the MAG Offices, 302 N. 1<sup>st</sup> Avenue, Suite 200, Phoenix. Agenda items are expected to include the FY 2006 MAG Early Phase Input Opportunity Report; recommended approval of the Arterial Life Cycle

Program; recommended approval of a unified regional logo for Regional Transportation Projects; an update on critical issues with the Maricopa County Dust Control Program; a draft resolution of support for workforce housing needs; a report on Domestic Violence Awareness Month activities, and a status report on the 2005 Census Survey.

**For more information, please contact Dennis Smith, MAG Executive Director, (602) 254-6300.**